U.S. Department of Justice



United States Attorney Eastern District of California

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TWO MEN ARRESTED FOR EXTORTING LOCAL FIRM

SACRAMENTO--United States Attorney McGregor W. Scott announced today the arrest of MARK E. KUSBEL, 56, of Peoria, Arizona, and GARY SALVAIL, 56, of Tucson, Arizona. The two men have been indicted for extortion, in violation of 18 U.S.C. § 1951, and wire fraud, in violation of 18 U.S.C. § 1343, in connection with a scheme to extort money from Cason Engineering of El Dorado Hills, in connection with that firm's bid on a Rear Reference Antenna for Raytheon's Evolved Sea-Sparrow Missile.

The indictment alleges that MARK KUSBEL, a Senior Mechanical Engineer at Raytheon Missile Systems; and GARY SALVAIL, a Senior Principal Electrical Engineer also at Raytheon Missile Systems in Tucson, demanded 50% of the net profits that Cason Engineering would make for supplying the part for the Sea-Sparrow Missile.

The grand jury charged that MARK KUSBEL and GARY SALVAIL threatened officers of Cason Engineering that Cason Engineering would not get the contract for the part if they did not agree to the extortion demand. The defendants also allegedly told Cason Engineering representatives that if they paid the demand, they would be given inside information regarding Cason's competitors at Raytheon, and also pricing information so they could make their bid higher to Raytheon and still get the contract. The grand jury charged the defendants with nine counts of wire fraud for depriving Raytheon of their honest and faithful services.

United States Attorney Scott stated that officers of Cason Engineering fully cooperated with the government as soon as they received the extortion demand. Scott stated that officers of Cason Engineering were in contact with agents of the FBI, who monitored the progress of the alleged extortion scheme.

According to Assistant United States Attorney Daniel S. Linhardt, who is prosecuting the case, the defendants face a maximum sentence of 20 years imprisonment on the extortion charge and 5 years on each of the wire fraud counts if convicted.

The charges are only allegations and the defendants are presumed innocent until and unless proven guilty beyond a reasonable doubt.

This case is the product of an extensive investigation by the Sacramento FBI.